



**Bega Cheese AGM  
26 October 2022**

**SLIDE 1 - Cover**

Welcome to Bega Cheese's Annual General Meeting, which is being recorded and webcast. As we have a quorum, I now declare the meeting open. When you registered this morning, you will have received an admittance card. For all shareholders and proxy holders who are voting, you should have received a yellow voting card. If you are a shareholder who is not voting you should have received a blue card. If you are a non-shareholder you will have received a red card.

Yellow cardholders will be able to vote for or against resolutions and ask any questions they wish relating to the business of the AGM.

Blue cardholders will be able to ask questions but not vote.

Red cardholders are most welcome at the meeting but will be unable to participate in the proceedings.

Further information regarding voting procedures will be provided prior to commencement of the resolutions to be put to the meeting.

For the benefit of all attendees at this meeting I would ask that you identify yourself before asking a question or making a comment.

**SLIDE 2 - Agenda**

At today's meeting, we have a number of formalities to deal with, including the consideration of the Group's 2022 Annual Report, the adoption of the Remuneration Report and the election of Directors.

**SLIDE 3 - Welcome**

I am pleased to welcome new shareholders and our long-term shareholders who know the company so well and have supported the strategy and Directors of the company over many years.

Let me introduce my fellow Directors; Patria Mann, Peter Margin, Terry O'Brien and Harper Kilpatrick and offer the apologies of Raelene Murphy and Rick Cross who unfortunately could not be with us today.

I am also pleased to welcome Anthony Goldsworthy and Sam Lobley representing our auditors PricewaterhouseCoopers, our legal counsel David Ferguson from Addisons and Julie Stokes from Link Market Services Limited and a number of Bega Cheese staff.

I have received apologies from...

We will now move on with the formal part of the meeting.

**SLIDE 4 – Annual Report**

I will be present the FY2022 Annual Report with Bega Cheese CEO Paul van Heerwaarden.

## **SLIDE 5 – Key Messages**

I am pleased to be presenting the results for Bega Cheese Limited for FY2022, a financial year of extraordinary volatility and upheaval, I am particularly pleased that despite the upheaval we have been successful in executing a number of key strategic initiatives and continue to grow and develop the company.

I would describe FY2022 as a solid financial performance in what was a very challenging environment. It is the first time that the Company has exceeded \$3 billion in revenue, which is obviously a milestone for the organisation and reflects the growth and acquisitions that the Company has made over the past decade.

A normalised EBITDA of \$180.1 million and the statutory EBITDA of \$149.9 million in the context of the circumstances we were operating in is a satisfactory outcome. Particularly pleasing is the strong operating cash generation of \$158 million, which of course then allowed us to reduce debt and make further investments in the business. In FY2022 we reduced debt by \$60 million and our leverage ratio to 1.8.

Bega Group has now owned Lion Dairy and Drinks for a little over 18 months. The integration of the Lion Dairy and Drinks business which we now refer to as Bega Dairy and Drinks has been executed as planned and the synergies that we expected to achieve have been achieved.

The Bega Dairy and Drinks business brought a strong portfolio of market leading brands to our company and importantly significantly contributed to the strategy of our transition to becoming a leading branded food company. Many of the brands in our portfolio hold number one or number two status in the market and indeed some are truly Australian icons. I am pleased to report that despite the volatility of the market the position of our brands remains strong. Paul van Heerwaarden will provide more details on brand performance in his report.

In FY2022 we saw marked increases in global dairy commodity prices and while they declined in recent months that decline has largely been offset by the depreciation of the Australian dollar. The strength of commodity prices has benefited our dairy ingredient business and we are now seeing those prices being reflected in the Australian market.

We continue to progress our sustainability programs with a number of initiatives implemented as a priority as we work towards reaching our emission targets and executing the Bega Circular Valley project.

As mentioned in my opening comments the business experienced multiple disruptions in FY2022, there was significant direct COVID-19 costs which Paul will outline in a little more detail in his presentation, there were also some consequential impacts from the COVID-19 disruption which created greater difficulty in managing other unpredicted events such as the floods in central Australian and northern NSW.

Australian farm gate milk supply in FY2022 reduced by approximately 4% and competition for milk remained very strong and this continues to be the case. Farm gate milk prices strengthened in both FY2022 and FY2023 reflecting improved international commodity prices, subsequent price increases in the Australian market, limited supply and overcapacity in milk processing and manufacturing infrastructure. Bega Group continues to ensure that it is competitive in farm gate milk procurement and have secured the milk supply we require for the coming year.

## **SLIDE 6 – Our Purpose**

Moving to the next slide many people may have observed that we have refreshed our corporate presentation and purpose. We now refer to the Company as the Bega Group. We are of course very proud of our origins and the Bega brand and the Bega region remains the heart of the company. The

company now extends far beyond cheese and far beyond the valley and now includes wonderful brands such as Vegemite, Dairy Farmers, Pura, Dare, Farmers Union, Juice Brothers and many other Australian favourites.

After many years of successful growth and acquisition we thought it was more appropriate to now refer to the Company as the Bega Group recognising the expansion of the company while still remembering where the home of the company is. We have endeavoured to combine the heritage of the past and our future with our purpose of 'creating great food for a better future'.

#### **SLIDE 7 – Our transformation**

This slide is one that many of you will be familiar with and I won't dwell on too long except to say that as I speak to you today our long term strategy of creating a balanced business with an integrated supply chain that allows the company to respond effectively to changes in both the Australian and international markets and in the branded and commodity sectors is very well progressed and for the first time in the company's history there are no significant gaps in our capacities or capabilities.

While there have been some challenges over the past 12 months a number of which remain with us the strength and resilience of the business has been well demonstrated and we continue to identify a number of opportunities for business growth and performance.

#### **SLIDE 8 – Performance Highlights**

Paul will speak on the financial performance of the business in more detail, in overview and as mentioned earlier the FY2022 is the first year the company has exceeded \$3 billion in revenue and perhaps even more importantly 82% of our revenue is from the branded segments of our business.

FY2022 normalised profit after tax was \$46.3 million and statutory profit after tax was \$24.2 million.

#### **SLIDE 9 – Sustainability and the Circular Economy**

I have spoken regularly about our sustainability programs and have initiated and led our circularity project which encompasses the entire Bega Valley and its community and is recognised as a leading project in the circularity space. In terms of the Bega Group we have previously announced our commitments for carbon targets and scope 1 and 2 emissions and are working on implementing programs to ensure those commitments are met. As we implement the programs to achieve a 50% reduction in emissions intensity by 2030 for Scope 1 and Scope 2 emissions we will also focus on scope 3.

In FY2023 we will be focusing on compiling data and information on Scope 3, the circularity project will be part of what informs us in terms of how we deal with and manage Scope 3 emissions into the future.

Thank you for attention for this part of the presentation, I will now hand to CEO Paul van Heerwaarden to provide a more detailed review of FY2022 and return to answer any questions and complete the business of the AGM.

#### **Slide 10 – Paul van Heerwaarden Introduction**

As we announced this morning this will be Paul van Heerwaarden's last AGM as CEO. Paul has been a wonderful CEO for Bega Cheese and has led the organisation through a period of great change and development always giving his all to deal with challenges and execute opportunities. Paul remains committed to the company and as always is keen to ensure the best outcomes for the business and that the transition to a new CEO is well planned and continues the stable leadership which has always been a key element in the success of the organisation.

Paul has worked for the company for 13 years in a number of executive roles and will reach six years of service as CEO in January 2023. While Paul's achievements are many I would highlight the key role he has played in the acquisition of the Mondelez Grocery Business in Australia (bringing home Vegemite), the re-shaping of our dairy nutritionals business through the execution of the various Reckitt's transactions, the acquisition of Koroit, the acquisition of Lion Dairy and Drinks and his leadership of the diversity and inclusion programs of the combined group.

One of the features of Paul's leadership has been his willingness to give opportunity to others and his capacity to develop people. Paul is always keen to recognise the capacity and capabilities of individuals and his team. Earlier this year we announced that Pete Findlay had been appointed Chief Operating Officer of the Company and the Board is now pleased to announce that Pete will transition to CEO with Paul's support over the coming months.

Paul, over to you.

### **Slide 11 – Major Initiatives**

Good morning, everyone and Barry thank you for your kind words. While this may be my last AGM as CEO let me say it is a wonderful business with wonderful people working for it and supplying it. It is a pleasure working for the company and while I still believe there is much more to be achieved, I also believe it is the right time to hand the leadership to others. I remain very positive about the opportunities for the company which is well positioned for further success in the future. I know Pete has the capabilities, knowledge and values that will ensure his success, he has my full support as we transition in the coming months and I know he has the full support of Barry and the Board.

I am pleased to be back in Bega delivering our AGM presentation in person. My first slide outlines the major initiatives during FY2022. From my perspective it was pleasing to see the ongoing progress of important strategic projects despite a very challenging year in terms of disruption and unavailability of internal and external resources.

Our key focus coming into FY2022 was to ensure that we realised the synergies from the acquisition of the Lion Dairy and Drinks business. While synergy realisation was successfully executed it is important to note that there were also other sizeable projects, in particular the transition from the Lion Group IT infrastructure to our own cloud-based network which was completed ahead of schedule and with minimal disruption in our operations.

As we further integrate the business we continue to see underlying growth in key categories, channels and markets despite the various disruptions throughout the year.

We continue to invest in our digital platform and network infrastructure with ongoing automation and rationalisation projects continuing to reduce our cost to serve and improve our service and delivery performance.

The early termination of the Reckitt agreements announced last financial year were finalised during FY2022 with early termination payments received and a reset of our infant formula business including entering new canning arrangements. Our infant formula business has now stabilised following market disruptions for a number of our customers particularly in the China market over the last couple of years.

The rationalisation of some of our processed cheese manufacturing lines across our Bega and Strathmerton facilities has provided increased efficiencies. Our processed cheese business continues to grow particularly in export markets and we are also identifying opportunities in the domestic market where processed cheese provides a lower retail price point compared to natural cheese in an inflationary environment.

I should also note that our processed cheese manufacturing and technical capability has supported the development of our launch of plant based cheese products, which while currently only small volumes will provide good growth in the coming years.

I will cover the various sustainability initiatives later in the presentation and note that we remain on schedule with major capital projects across our manufacturing logistics network. This includes large investments in sustainable packaging across our flavoured milk business and also new and growing pack formats in the yoghurt business.

## **SLIDE 12 – Commercial and Operations Review**

Moving to the next slide and the commercial overview it is fair to say that the growth and new product innovation that we are very proud of through the year has been overshadowed by the impact of COVID-19, devastating floods across South Australia earlier in the year and northern New South Wales and Queensland in March as well as global supply chain issues that we continue to closely manage. Each of the points on this slide will be covered in further detail throughout the presentation.

## **SLIDE 13 – Our Business Model**

This slide outlines our business model and the two segments that we report on. While we focus on growing and developing our core branded segment, our bulk segment continues to perform the critical role in supporting the branded segment with ingredients on a flexible basis throughout the year.

As an example, during periods of channel disruption in the branded segment caused by the Omicron variant, we were able to immediately divert milk from our fresh milk plants into our commodity plants and take advantage of strong international prices. This allowed us to maintain a profit focus for the upstream bulk segment, which remains an important part of how we manage and report the financial performance of the business.

## **SLIDE 14 – Segments**

I would like to share some observations on the two segments of our business. Focusing firstly on the branded segment which obviously had strong revenue growth and earnings growth reflecting our acquisition of the Bega Dairy and Drinks business. We were pleased to note that we did have good underlying revenue growth in all of our categories in the BDD business with particularly strong growth in the yogurt and juice categories, which were all around the 3% growth rates.

Our spreads business continued to perform strongly with Vegemite and peanut butter sales increased by almost \$10 million. We experienced good growth in natural cheese and processed cheese sales from our contract packaging business while experiencing challenges in our cream cheese international business as we reached price points that were beyond the capacity of some of our Asian markets.

The bulk segment of the business was down a little in both revenue and earnings reflecting a decrease in overall milk intake, changes in our infant formula business associated with the Reckitt's arrangements and decreased demand from other customers. We did benefit from the strong commodity prices particularly in bulk cream cheese and milk powders as commodity prices increased strongly in the second half of the year.

There was a significant impact from COVID-19 costs in our business which I will detail later in the presentation.

## **SLIDE 15 – Reconciliation of Normalised Result**

In the reconciliation of our normalised result there are two noteworthy items which are the termination of the Reckitt's contract and the continued Bega Dairy and Drinks transaction costs.

## **SLIDE 16 – Balance Sheet**

I will not dwell on this slide for too long, in brief we were pleased with the cash generation in FY2022 which enabled us to both continue to invest in the business and reduce debt by 18%. Our leverage ratio in FY2022 reduced to 1.8. An outcome reflecting strong receivables and inventory management despite the impact of significant COVID-19 costs on the business earnings. The company has a strong balance sheet, an extensive property portfolio and continues to investigate the potential sale of our Port Melbourne site.

## **SLIDE 17 – Cash flow**

As mentioned, the business generated operating cash flow of \$158 million. Capital expenditure inclusive of the packaging and capacity projects I mentioned earlier in the presentation amounted to \$72 million and repayments of borrowings of \$83 million significantly improved our gearing. Included in the cash flow are dividend payments of \$29 million and the proceeds of some minor property divestments amounting to \$7 million.

## **SLIDE 18 – Managing Operational and Market Impacts of COVID-19**

I am sure, like me, many of our shareholders will be pleased if they never hear the words ‘COVID-19 related costs’ again. We have spoken regularly about the direct costs of COVID-19 to our business in FY2022 which accelerated in the second half of the year and particularly impacted our branded business.

To perhaps provide a little more colour on the COVID-19 impacts, as an example absenteeism peaked at around 30% which put huge pressure on our facilities. We had a direct absenteeism cost predominantly reflected in our branded business of approximately \$6 million, additional rapid antigen testing costs of approximately \$3 million and facility shut-down costs of approximately \$8 million in circumstances where we couldn't open factories or had to stop lines.

It is also worth noting that the impact of COVID-19 did create additional difficulties in managing other unexpected one-off events such as the floods in central Australia and northern NSW and Queensland which closed down rail access and amplified the already shortage of trucks and drivers.

Overall direct COVID-19 costs were in excess of more than \$40 million in FY2022 and while there remains some supply chain challenges we are pleased to see the impacts largely behind us.

## **SLIDE 19 – Becoming a Multi-Channel Branded Company**

Reflecting on FY2022 I thought it may be appropriate to share my perspective on the transformation of the company over the last five years. This slide details our transition from, prior to 2017 as a commodity processor and contract packer through to today where we are positioned as a diverse and growing multichannel, integrated branded business operating across both international and domestic markets.

I won't go into the detail on the slide, but I would like to draw your attention to the box on the left-hand side of the page and note that for many years, the profitability of Bega was driven by large long-term, third-party packing contracts and an export dairy commodity business. Significant headwinds across both of those businesses required a change in our vision, which was to become a great Australian food company with a strategy focused on building a multi-channel branded business. The middle box is a list of various acquisitions and other major initiatives that we have executed over the past five years.

These acquisitions and initiatives were all about diversifying and growing our branded business and addressing the major headwinds we were facing into pre-2017. The divestment of some infant formula

assets in 2017 and the closure of the Coburg cheese facility a few years ago were also necessary to right size our manufacturing network and align with market opportunities.

Today, we are one of Australia's largest branded food and beverage companies. It is fair to say that we have had to navigate a number of challenges as we have made this transition, including the impact of drought, bushfire and floods.

I will speak about the outlook for FY2023 later in the presentation but note that the material spike in input costs did provide further challenges and has impacted us in the short term but doesn't lessen the opportunity for future growth.

#### **SLIDE 20 – Growing Value with Iconic Australian Brands**

This slide demonstrates the transformation I was referring to in the previous slide and includes our longer term sales growth chart illustrating an approximately 30 fold increase in sales from approximately \$100 million, 20 years ago to \$3 billion in FY2022. The pie charts on the right-hand side of the page provide the increase in the proportion of branded sales over recent years and reflects the full year impact of the acquisition of the Dairy and Drinks business.

#### **SLIDE 21 – Portfolio of Leading Iconic Brands in Growth Categories**

The quality and market strength of our brands including the growth and market share of our portfolio is well illustrated in this slide. As you can see, we are experiencing strong growth in most of our categories and maintain our market leading positions. Yoghurt continues to be a highly competitive category with each of our brands playing a key role in the overall portfolio.

Our milk based beverage brands led by Dare continue to grow as has Vegemite and our peanut butter range with new innovations which I will cover on the next slide.

#### **SLIDE 22 – Innovation and Growth in Consumer Brands**

Investment in our core brands increased during FY2022 including a number of activations across all categories and new product variations and pack formats such as the new Squeezy Simply Nuts innovation. The launch of lactose free offers for Pura whole milk and our famous Farmers Union iced Coffee in South Australia have performed very well.

#### **SLIDE 23 – Manufacturing Network**

This slide is an overview of our manufacturing network which we have provided at many previous investor presentations and is worth re-visiting for a moment. Our national network of manufacturing sites, along with our extensive chilled distribution network continues to support the growth for both our national accounts, but also very importantly our local business.

We continue to see opportunities for rationalisation and optimisation across our own network and indeed across the industry.

#### **SLIDE 24 – Dairy Commodity and Farm Gate Milk prices**

This slide includes the dairy export trend index which is the red line and our southern farm gate milk price trend, which is the green line. As expected, these two lines are highly correlated and also highly variable. You can see the low point of the dairy export trend index in the middle of the slide around May 2016 and the doubling of the index over the next four years. When COVID-19 emerged the index quickly plummeted by 40% only to rebound to new highs approximately six months ago.

We have now included an additional index, the blue line, which represents the private label milk price index for the major grocers. This line is basically the dollar a litre milk that was introduced in January 2011, which remained flat for over seven years until the \$0.10 per litre drought relief payment was introduced.

A subsequent increase last year followed by the more recent increase to \$1.55 per litre, based on the two litre bottle, has seen a cumulative 40% increase in private label milk prices since we acquired the Lion Dairy and Drinks business in January last year. I would say that this is a really important development and positions us well as inevitable changes in the global commodity cycle occur in the coming years.

## **SLIDE 25 – Approach to Corporate Social Responsibility**

We continue to report on our five focus areas for corporate social responsibility.

In brief we continue to progress improvement in the nutrition of our products particularly our aim to reduce salt and sugar content.

We have implemented a number of initiatives across diversity and inclusion, which is a personal passion for me, including becoming a signature to the HESTA 40:40 gender diversity pledge.

We are on track to achieve our targeted reduction in Scope 1 and Scope 2 carbon emissions by 2030 and have commenced measuring our Scope 3 emissions, which represent a material component of our overall carbon footprint and are being dealt with as part of the sustainability and circular economy initiatives that Barry is leading.

Packaging targets are also on track as we approach 2025 and our commitment to the National Packaging Covenant. While water sustainability and the reduction of water usage across our manufacturing site is also on track to achieve the 2030 targets that we have set.

## **SLIDE 26 – FY2023 Earnings Guidance**

Before I hand back to Barry, I will re-confirm the earnings guidance that we have previously provided for FY2023 which was a normalised EBITDA in the range of \$160 million to \$190 million. As outlined in the guidance note, we had initially expected Victorian farm gate milk prices to increase in the range of 15% to 20% over FY2022 closing prices.

Strong competition for milk through June and July resulted in further increases in pricing, which were approximately 30% higher than the closing FY2022 farm gate milk price. Coupled with other cost increases, for example, oil, resin, packaging, coffee and sugar, we have seen a significant year on year increase in costs that will be partly offset by accelerating some of our cost out and efficiency programs and increased returns from international dairy commodities.

The overall net increase in costs is circa \$350 million to \$400 million or about \$30 million to \$35 million per month. During the first quarter we have phased in price increases in market to cover these increased costs.

The timing of this phasing of pricing in the first quarter was impacted by a number of factors however I am pleased to report that we have been successful in achieving price realisation in the market and this is now being reflected in the monthly financial performance of the business.

Whilst the focus of the AGM is the business performance of FY2022 I am sure many of you would be concerned for our dairy farmers and staff particularly in Northern Victoria and NSW who are being impacted by the current floods. As always in times of crisis our teams and our colleagues step up to support one another and deal with the many and varied challenges. While we have had both staff members and farmers directly impacted by the floods I am pleased to say they are all safe and from a business perspective our processing facility at Tatura has been able to manage the impacts of multiple day power outages and the logistics challenge of collecting milk off farm and having it processed. I would not only acknowledge our team but the teams at Fonterra and Saputo who have assisted us in managing our milk supply in circumstances where we were unable to process it with our own infrastructure. We do not expect the impact from the floods to have a material financial impact on our business performance in 2023.



## **SLIDE 27 – Barry Irvin Introduction**

Thank you Paul

## **SLIDE 28 – Where are we today**

Reflecting on FY2022 I have to say that in a year where the challenges were many and the projects were many, I feel very comfortable with what has been achieved by the company and leadership teams. I think it's a testament to the knowledge and experience of our people and the capacity and capability of our infrastructure that we have navigated what has been one of the most volatile periods in recent history and continued to position the business for the future.

As Paul has outlined, our transition to a branded food company continues to be successfully executed. The important balance of the business we now have allows us to now take advantage of commodity pricing and global demand when that is appropriate while also having the comfort of the greater stability that ultimately our branded business will bring us. I believe this positions us well to manage any headwinds, risks, geopolitical or market changes that may occur.

We now have stronger underlying brand growth in a number of our key categories and are seeing a more settled market and a return to post COVID-19 conditions. Many of you may have noted the announcement regarding our joint venture with Vitasoy issued last week, we don't currently have any further update, as mentioned in our release Bega Cheese recognises the growing market importance of plant based beverages and products and will assess its options to continue involvement in this sector if its interest in Vitasoy Australia is acquired by Vita International.

I think it is very important to note that the in-elasticity of pricing around white milk has now been changed in recent times and we are seeing movements in white milk better reflecting both cost of production for farmers and the alternate returns.

There were indeed significant cost increases late in FY2022, which we have discussed and it is pleasing that we are now seeing those increases reflected in the market.

We continue to observe that there are a great many further opportunities in business efficiency and cost out programs. Whilst we have been happy with the integration of Lion Dairy and Drinks, or now Bega Dairy and Drinks and very happy with how the businesses are coming together we do believe there are further opportunities for improvement in our business.

In this very competitive farm gate milk procurement environment I am pleased to report that we have been able to secure the milk that we require for the year ahead and are confident about securing milk beyond the year ahead. I think that the reality is our long term relationship with our farmers and our deep understanding of the issues that our dairy farmer suppliers manage assists us greatly in securing that supply.

We continue to execute our sustainability and circularity initiatives and they are something that as Paul mentioned, particularly in the circularity space I continue to lead and have a direct involvement in.

There continues to be a lot of discussion around both geopolitical risks and biosecurity risks which is very appropriate, we work closely with government and industry on these issues to ensure that there is consistent and appropriate planning and response in areas that can impact both the industry and the community.

Ladies and gentlemen, if I was to summarise where we are today and our feeling about moving forward, I would say we are a very diversified business, well positioned to respond to the various market scenarios, much of which has been demonstrated in FY2022 and will continue to be demonstrated FY2023.

We can be very comfortable that the infrastructure, the brands, the capability and the knowledge that we have in place is what is required to create value for our shareholders and other stakeholders.

#### **SLIDE 29 – Q&A**

Ladies and Gentlemen that brings us the end of the presentation.

Are there any questions?

#### **SLIDE 30 – Annual General Meeting**

Ladies and Gentlemen, we have now come to the formal part of the meeting.

#### **SLIDE 31 – Voting procedure**

A poll is being held on all resolutions at this meeting. If leaving early, place completed voting cards in the ballot boxes by the registration desk.

For each item of business, I will first open the floor for discussion and then, will put the motion for that item to the meeting, and ask you to complete your voting cards in relation to that item.

Share Registrar, Ms Julie Stokes of Link Market Services Limited will act as Returning Officer in relation to the poll.

If there are any aspects regarding voting that you are uncertain about, please ask one of the Registrar staff.

The results of the poll will not be available before the end of the meeting. You can however obtain the results of the poll later today by visiting the company's website or the ASX.

#### **SLIDE 32 – Resolutions**

Adopt remuneration report for the year ended 30 June 2022

Election of Directors

#### **SLIDE 33 – Adoption of Remuneration Report**

Firstly, to item 2 in the notice of meeting. The Remuneration report on pages 40 - 52 of the annual report outlining the remuneration for the Board, Executive, CEO and other key personnel.

In setting remuneration the Nom and Rem committee refer to market and external advisors.

I would inform the meeting that the following proxies have been received in respect to the Remuneration report. I will be casting the undirected proxies in favour of the motion.

Are there any questions?

As there are no [further] questions, I now move that the remuneration report for the period ended 30 June 2022 be adopted.

I will now put the motion to the meeting.

Would you please now complete your yellow voting card in relation to item 2.

#### **SLIDE 34 – Patria Mann**

I now move to the election of Patria Mann. Patria, I invite you to say a few words.

Thank you, Patria.

Before we proceed I would like to inform the meeting we have the following proxies in respect to Patria's election. I will be casting the undirected proxies in favour of the motion.

Are there any written questions?

Are there any telephone questions?

Are there any questions?

As there are no [further] questions, I now move that Patria Mann be elected to the Board.

I will now put the motion to the meeting.

If you haven't already done so please record your vote in relation to Item 3.

**SLIDE 35 – Closing**

Ladies and gentlemen thank you very much for your attendance at this year's AGM.

If all votes have been completed, please ensure you lodge your yellow voting cards in the ballot box stationed at the registration desk to ensure your votes are counted. The poll will remain open for a further 5 minutes.

I now declare the meeting closed.

**SLIDE 37 – Disclaimer**